

Broadway and Vicinity, Revitalization

Director's Report and Recommendation

Department of Planning and Development

Introduction and Summary

Mayor Nickels is proposing rezones and Land Use Code amendments that are consistent with City and neighborhood goals for the Capitol Hill and Pike Pine Urban Center Villages. These proposals are intended to provide opportunities for the development of key sites along Broadway – development that would attract new anchor tenants and support existing local businesses.

Broadway, once one of Seattle's premier pedestrian shopping streets offering a wide assortment of goods and services for neighborhood and citywide clientele, has declined in recent years. Businesses have relocated or closed. Residents in the area and the owners of remaining businesses fault vacant store fronts and the lack of vital neighborhood goods and services for detracting from the character of Broadway and the surrounding community. In addition, the successes of nearby shopping areas such as University Village, downtown and retail businesses in the Pike-Pine Neighborhood have eclipsed Broadway in vying for a comparable customer base, drawing stable anchor tenants away to other parts of the city.

The Capitol Hill Neighborhood Design Guidelines, currently in development, will address the importance of maintaining and enhancing the residential character of both 10th Avenue East and Harvard Avenue East. In addition to these proposals, the City's Office of Economic Development (OED) and the Seattle Police Department (SPD) are continuing work on public safety, and other initiatives in the Broadway area.

The proposals for Broadway are closely linked to other legislative efforts to support existing and emerging neighborhoods throughout Seattle, including First Hill, South Lake Union and the University District. In addition, work is in progress to comprehensively review our policies and development regulations governing commercial areas citywide in an effort to improve prospects for business and residential development throughout the city's mixed use urban villages and centers.

In response the issues raised about Broadway and the vicinity, the City and community stakeholders commissioned a Market and Development Feasibility Analysis of the Broadway Neighborhood Business District. The resulting study, prepared by Gardner Johnson, LLC, identified several regulatory barriers to development on Broadway, including inadequate height limits. The following proposed rezones and code amendments are an important first step in helping Broadway and the surrounding area regain its vitality and place among Seattle's great streets:

Rezones: Rezones are proposed for the ½ blocks on the east and west sides of the commercially zoned property that abuts Broadway from East Roy Street to East Denny Way. The rezones would consolidate commercial mixed use zoning on these blocks. To the east, portions of blocks located between

Broadway East and 10th Avenue East would change from Lowrise 3 (L3), Lowrise/Residential Commercial (L3/RC) or Neighborhood Commercial 3 (NC3) to Neighborhood Commercial 3/Residential (NC3/R). To the west, portions of blocks located between Broadway East and Harvard Avenue East would change from L3, Midrise/Residential Commercial (MR/RC) or NC3 to NC3/R.

In addition, the height limits along the Broadway corridor are proposed to be increased. To the east of Broadway, the height limit for properties on the half blocks facing Broadway would be increased from 40 feet to 65 feet. Properties facing 10th Avenue East would be increased from 35 feet to 40 feet. To the west, between Broadway and Harvard Avenues East, the height limit would increase from 40 and 60 feet to 65 feet.

(See the rezone map on page 5.)

Parking:

The residential parking requirement is proposed to change from 1.1 to 1.5 spaces per unit to .8 spaces per unit. This requirement would apply to all residential uses in the Capitol Hill Urban Center, better reflecting automobile ownership and parking demand for Capitol Hill residents shown in the 2000 Census.

In addition, the Pike/Pine Neighborhood residential parking requirement is proposed to be changed to .6 spaces per unit in the Pike/Pine Urban Center. This change better reflects automobile ownership and parking demand for Pike/Pine residents shown in the 2000 Census.

*Residential
Amenities:*

The current requirement for private open space is proposed to be replaced with a requirement for residential amenity space. Residential amenity space is proposed to be required in an amount equal to ten percent of the floor area in residential use. Interior spaces, such as community and exercise rooms would qualify as well as decks and balconies. An option allows for a portion of the requirement to be met off-site. This proposal would apply in commercial zones throughout the Capitol Hill Urban Center.

Lot Coverage:

There is currently an upper-level lot coverage limit that applies only to residential and mixed use development on the two half blocks surrounded by East Mercer and East Roy Streets and 10th and Harvard Avenues East. This is proposed to be repealed, to be consistent with regulations that currently apply to the rest of the Broadway corridor.

*Amend NC/R
Rezone Criteria:*

Amendments to the rezone criteria are proposed to allow use of the Neighborhood Commercial/Residential (NC/R) zone.

Background

The following timeline identifies key points in planning in the Broadway neighborhood, as well as the City's revitalization efforts. These efforts have been informed by property owners and residents in the area:

- June, 1999 - City recognized the neighborhood plan for the Capitol Hill Urban Center Village.
- 2000-2002 - The Broadway Business Improvement Area (BIA) reported a sharp decline in business. The revenues for the BIA, which is based on business revenue, decreased 20%. In addition, several long time merchants closed and Broadway was faced with increasing business vacancies, while also experiencing increased panhandling and illegal drug activity.
- Summer 2003 - The police department responded to community concerns by instituting a bike patrol for Cal Anderson Park and the Broadway business district.
- December, 2003 - the Market and Development Feasibility Analysis of the Broadway Neighborhood Business District, commissioned by community stakeholders and the City of Seattle, was presented to the community. This study presented the current demographic data for the neighborhood and explored the impediments to development in the Broadway business district. The study identified four recommended changes: residential parking requirement, open space requirement, split zoning and height along Broadway.
- February - April, 2004, OED and DPD formed an advisory group consisting of business, property owners and community leaders to assist the City in development of a proposal to encourage economic revitalization of the Broadway business district.
- May, 2004 - the City's proposal was presented to the neighborhood at a community meeting. In addition, the Capitol Hill Times wrote several articles and published op-ed pieces about this topic.

The Gardner/Johnson Study

In response to the concerns raised about Broadway, the City's Office of Economic Development commissioned a study from the real estate market firm of Gardner/Johnson. This study, *A Market and Development Feasibility Analysis of the Broadway Neighborhood Business District*, dated December 5, 2003, assessed current and anticipated market conditions in the area. The study also evaluated the financial feasibility of redevelopment in the area, and identified those uses that would best serve the community in accordance with the goals of the Capitol Hill Neighborhood Plan. The study further identified zoning and development regulations that may pose obstacles to redevelopment in the area. These include: split zoned parcels and blocks on either side of Broadway and development standards such as open space and parking for residential use.

City staff worked closely with representatives of residential and business interests from Broadway and the broader Capitol Hill and Pike/Pine Neighborhoods. This interactive process was conducted over much of 2004 and included several community meetings. The analysis and recommendations in the Gardner/Johnson study along with discussions in the neighborhood were used to inform the proposed rezones and code amendments.

Rezone Analysis

The areas proposed for rezone currently are a mix of multifamily (L3, MR), Residential Commercial (RC), and Neighborhood Commercial (NC3). These zones are described as follows:

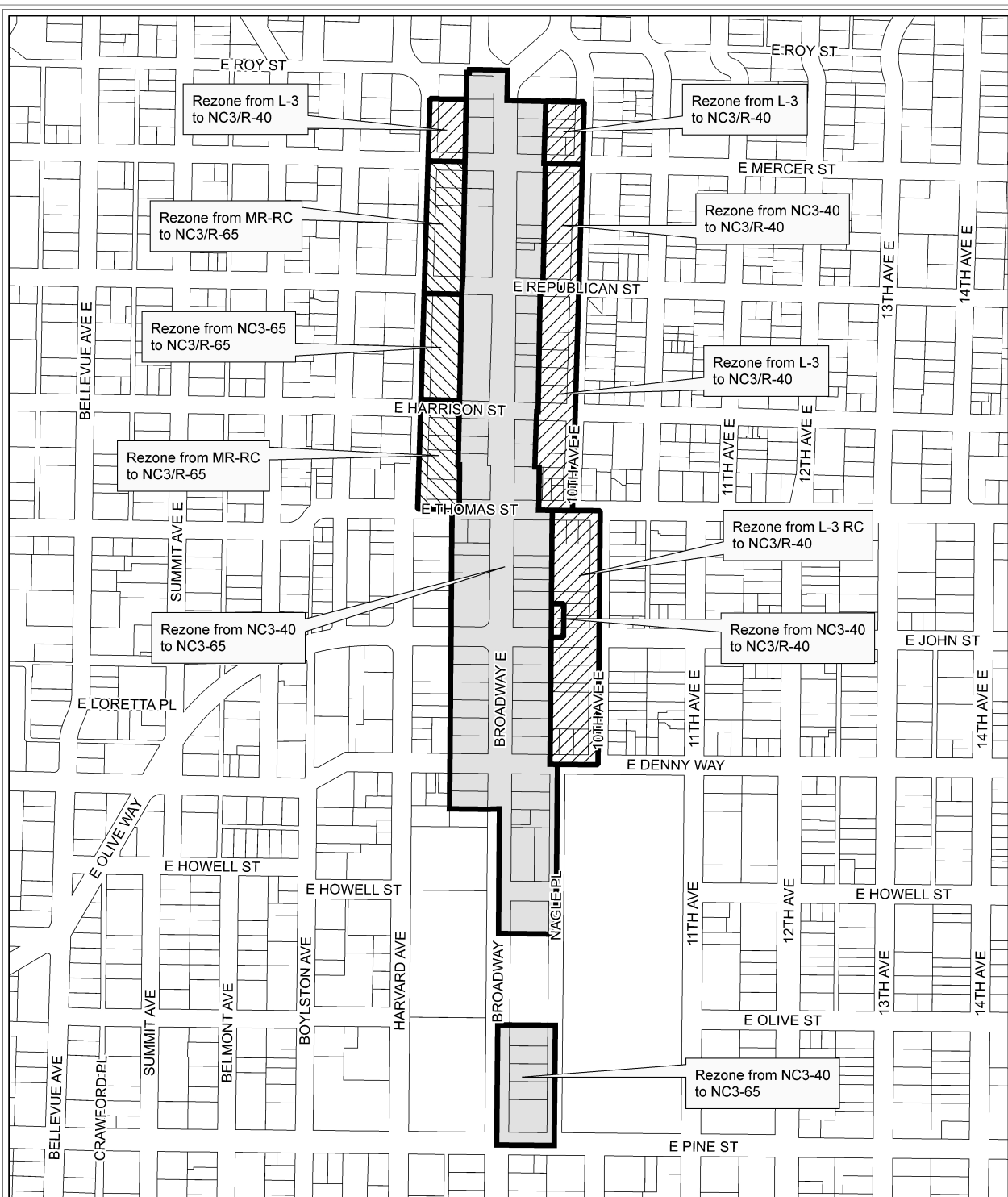
Lowrise 3/Residential Commercial (L3/RC) is a multifamily zone that is generally limited to 35 feet, allowing three story apartment buildings or townhouses. The Residential Commercial designation allows for limited commercial uses to be included in an L3 multifamily building, but emphasizes a residential character. Development standards include structure setbacks from property lines, lot coverage limits and landscaped open space.

Midrise/Residential Commercial (MR/RC) is a multifamily zone that allows Midrise apartments and condominiums. The maximum height limit is 60 feet. The RC designation allows limited street level commercial uses. Structure setbacks are required and as well as other development standards that emphasize the residential character of the zone.

Neighborhood Commercial 3/Residential (NC3/R) is a mixed use zone that is intended to create a pedestrian-oriented shopping area serving the surrounding neighborhood and citywide clientele with a wide range of retail businesses, as well as offices. The residential emphasis implied by the "R" designation is intended to maintain existing residential uses and promote increased residential development. One main distinction of this zone, as opposed to a "normal" NC3 zone, is that mixed use buildings are not subject to ground level commercial space requirements (for ground level space width, depth and ceiling height requirements) that would contribute to a commercial or retail character. For through lots, the required nonresidential use can be met along Broadway, allowing for residential use to be located at street-level facing residentially zoned areas to the east and west of the Broadway corridor.

Proposed rezones are evaluated according to the provisions of the Land Use Code, Chapter 23.34, Amendments to the Official Land Use Map (Rezoning). The evaluation is based upon general and specific criteria that are weighed and balanced to determine the most appropriate zone or height designation. Zone function statements, which describe the intended function of each zone designation, are used to assess the likelihood that the area proposed to be rezoned would function as planned.

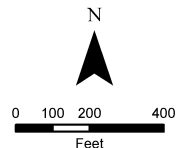
No single criterion or group of criteria is applied as an absolute requirement or test of the appropriateness of a zone designation, nor is there a hierarchy or priority of rezone considerations, unless a provision indicates the intent to constitute a requirement or sole criterion. Compliance with the provisions of Chapter 23.34 constitutes compliance with the Comprehensive Plan for the purpose of reviewing proposed rezones.



Broadway Area Rezones

Legend - Rezoning to:

-  Neighborhood Commercial 3-65
-  Neighborhood Commercial 3/Residential-40
-  Neighborhood Commercial 3/Residential-65



No warranties of any sort, including accuracy, fitness, or merchantability accompany this product.

Copyright 2004, All Rights Reserved,
 September 2, 2004

General Rezone Criteria

The following describes the overall effect of the proposed rezones, in accordance with SMC Section 23.34.008, General Rezone Criteria.

Zoned Capacity: For planning purposes, the City's Comprehensive Plan assigns job and housing estimates to each urban village. Subsection A.1 of SMC Section 23.34.008 states that, "In urban centers and urban villages the zoned capacity for the center or village taken as a whole shall be no less than one hundred twenty-five percent (125%) of the growth targets adopted in the Comprehensive Plan for that center or village."

The zoned capacity of the area is currently greater than 125% of the growth target. The proposal would result in increased residential capacity on the blocks to be rezoned for both jobs and housing. Thus, the proposed rezone satisfies the criteria related to maintaining zoned capacity.

Zoning History and Precedential Effect:

The multifamily and commercial zoning existing on the subject rezone sites was established in the mid to late 1980s as new zoning was adopted by the City Council. During neighborhood plan development, proposals were discussed for changes to the height limit along Broadway and for rezoning multifamily zones that split the zoning of many of the blocks on either side of Broadway. In 2001, the light rail Station Area Overlay District was adopted. The overlay generally applies to commercial and multifamily zoned properties from Bellevue Ave East to 11th Avenue East and from East Roy to East Pine Streets. Commercial zones within the overlay are not subject to the upper-level lot coverage limit or density limits for residential use.

The proposed rezones are consistent with the zoning history in the area and are not anticipated to have a precedential effect.

Neighborhood Plans:

The Capitol Hill Neighborhood Plan (December 1998) provides a vision for its commercial corridors, including Broadway:

The neighborhood's main commercial corridors – Broadway, 15th Avenue and Olive Way – comprise the neighborhood's economic base and the pulse of its social scene. The business districts have their own unique personality and needs, yet they also share many common characteristics and issues... The community would like all three commercial districts to provide more housing in upper stories.

Another key recommendation of the Plan was to:

Conduct an analysis of economic conditions and zoning along Broadway. The Broadway Business Improvement Association (BIA) has expressed an interest in conducting an in-depth analysis of opportunities to increase redevelopment potential on Broadway. The Neighborhood Plan supports this effort, particularly in the lower Broadway area where higher density zones would be compatible with existing adjacent zones and would be appropriate to the transit-oriented development area around the south Capitol Hill Transit Station.

The Gardner study was completed and the recommendations in it have informed the proposed rezones and code amendments.

Zoning Principles: Zoning principles refer to the accepted protocol for the application of zoning in an area. These include, consideration of the relative impact of more intense zones on less intense zones; factors such as topography and the presence of natural and man-made buffers; and the presence and layout of platted lot lines.

East of the NC3 zoning along Broadway, the current zoning is L3 RC and L3. West of Broadway, the current zoning is MR RC and MR. In order to realize the recommendations of the Gardner study, create better transitions along these streets and simplify the zoning in the area, DPD is proposing NC/R zones along 10th Avenue East and Harvard Avenue East. The NC/R zone provides a transition from Broadway to the residential neighborhood to the east and west. Commercial and residential uses are allowed in the NC/R zone. The same density is permitted in the NC/R zone as in the NC3 zone, but without the requirement to provide ground-floor commercial uses. This means that residential uses may be located at street level along those streets. Buildings with commercial uses can be designed, as encouraged by the proposed design guidelines, to be compatible with the desired residential characteristics for Harvard and 10th Avenues East.

Section A2 of the proposed guidelines, Streetscape Compatibility, addresses building proposals that would span a block and “front” on two streets. In these circumstances, each street frontage would be encouraged to receive individual and detailed site planning and architectural design treatments to respect and complement the established residential streetscape character.

Impact Evaluation: The proposal will not have significant adverse impacts related to *public services; environmental factors; pedestrian safety; manufacturing activity; employment activity; shoreline view, public access and recreation; street access to the area; street capacity in the area; transit service; parking capacity; utility and sewer capacity*. In all cases, either the factor is not

applicable, or the increased capacity can be accommodated by existing or improved utilities and services. With respect to parking, new residential and/or commercial uses are required to provide parking to address parking impacts.

Nonconformity: No new nonconformities are anticipated if the proposed rezones are approved. The area is currently characterized by residential, commercial and mixed use buildings, all of which would be permitted under the proposed rezone in relatively similar sizes and densities.

The designation of height limits in Neighborhood Commercial zones is independent of the designation of the zone. Thus, the following provisions apply, per SMC Section 23.34.009:

Zone Function: The proposed Neighborhood Commercial 3 zone generally permits mixed use structures – commercial uses at street-level and residences above. Comparable examples are nearby East Pike and East Pine Streets and East Olive Way. These corridors are zoned NC3 with 65 foot height limits.

Surrounding Topography: The proposal area sits approximately 340 feet above sea level and is relatively flat. To the East of Broadway, the topography gradually increases, eliminating the possibility of eastward views.

To the West of Broadway, the topography gradually decreases. However, the proposed increase in height limits along Broadway Avenue East would be generally similar to heights permitted to the East of Broadway, therefore no significant view blockage is anticipated.

Height, Scale and Compatibility: Broadway is flanked by MR zoning to the west and L3 zoning to the east. MR zones have a height limit of 60 feet and L3 zones have a height limit of 30 feet to 37 feet. The proposed height changes would establish a 65 foot height limit for the majority of Broadway, except for properties along 10th Avenue that are adjacent to L3 zones. Those properties would be designated with 40 foot height limits – a transition from the Broadway properties with 65 foot height limits to the L3 zone to the east with a 30 foot' to 37 foot height limit.

The following analysis is a comparison of zone criteria and area characteristics for each of the proposed rezones, as provided for in SMC Section 23.48.008B.

The locational criteria (***bold in the chart below***) that are applicable to the proposed rezones are reviewed in the following charts and the conclusion of this review is summarized at the end:

SMC 23.34.020 Lowrise 3 (L3) Zone, Function and Locational Criteria				
Codified Criteria	Meets Criteria			Comments/Analysis
	Yes	No	Maybe	
A. Function. An area that provides moderate scale multifamily housing opportunities in multifamily neighborhoods where it is desirable to limit development to infill projects and conversions compatible with the existing mix of houses and small to moderate scale apartment structures.		X		The area is underdeveloped and provides a greater opportunity for new development than contemplated by this criterion.
B. Locational Criteria. 1. Threshold Conditions. Subject to subsection B2 of this section, properties that may be considered for an L3 designation are limited to the following: a. Properties already zoned L3; b. Properties in areas already developed predominantly to the permitted L3 density and where L3 scale is well established; c. (not applicable); or d. (not applicable).	X			While the area is already zoned L3, the scale is not yet established. There are approximately 30 parcels in the proposal area that are zoned L3 or L3/RC. Of the 30 parcels, 11 are developed with single family homes or duplexes. An additional 5 parcels are developed with principal use parking lots or large accessory parking lots. Other parcels contain single-story commercial development or multistory apartment buildings. The single family homes and parking lots provide opportunities for redevelopment.
2. Properties designated as environmentally critical may not be rezoned to an L3 designation, and may remain L3 only in areas predominantly developed to the intensity of the L3 zone.	X			No known critical areas exist in the subject area.
3. Other Criteria. The Lowrise 3 zone designation is most appropriate in areas generally characterized by the following: a. Development Characteristics of the Area. (1) Either: (a) Areas that are already developed predominantly to the permitted L3 density and where L3 scale is well			X	Most of the parcels are not developed to L3 density or scale. Of the few parcels that contain existing apartment buildings, these are developed beyond the L3 density and beyond densities that could be achieved through the proposed zoning. The street patterns allows for

established; (b) (not applicable); or (c) (not applicable); (2) Areas where the street pattern provides for adequate vehicular circulation and access to sites. Locations with alleys are preferred. Street widths should be sufficient for two (2) way traffic and parking along at least one (1) curbside.				adequate circulation and no alleys serve the parcels zoned L3 or L3/RC.
b. Relationship to the Surrounding Areas. (1) Properties in areas that are well served by public transit and have direct access to arterials, so that vehicular traffic is not required to use streets that pass through less intensive residential zones; (2) Properties in areas with significant topographic breaks, major arterials or open space that provide sufficient transition to LDT or L1 multifamily development; (3) Properties in areas with existing multifamily zoning with close proximity and pedestrian connections to neighborhood services, public open spaces, schools and other residential amenities; (4) Properties that are adjacent to business and commercial areas with comparable height and bulk, or where a transition in scale between areas of larger multifamily and/or commercial structures and smaller multifamily development is desirable.	X			<p>The existing L3 zoning is compatible with the surrounding area and zones – NC3 and L3.</p> <p>The area is well-served by transit, access to arterials, public services.</p> <p>Transitions are provided by street rights-of-way.</p> <p>The area is served by sidewalks providing pedestrian circulation to services and amenities.</p> <p>The area is located between the commercial zoning that exists along Broadway and the Lowrise 3 area to the east.</p>

SMC 23.34.024 Midrise (MR) Zone, Function and Locational Criteria				
Codified Criteria	Meets Criteria			Comments/Analysis
	Yes	No	Maybe	
<p>A. Function. <i>An area that provides concentrations of housing in desirable, pedestrian-oriented urban neighborhoods having convenient access to regional transit stations, where the mix of activity provides convenient access to a full range of residential services and amenities, and opportunities for people to live within walking distance of employment.</i></p> <p>B. Locational Criteria.</p> <p>1. Threshold Conditions. <i>Subject to subsection B2 of this section, properties that may be considered for a Midrise designation are limited to the following:</i></p> <p style="padding-left: 40px;">a. Properties already zoned Midrise;</p> <p style="padding-left: 40px;">b. Properties in areas already developed predominantly to the intensity permitted by the Midrise zone; or</p> <p style="padding-left: 40px;">c. Properties within an urban center, the village core of a hub urban village, or a residential urban village, where a neighborhood plan adopted or amended by the City Council after January 1, 1995 indicates that the area is appropriate for a Midrise zone designation.</p>	X			<p>The area is currently zoned MR and functions well as a Midrise zone.</p> <p>Of the 23 parcels with MR zoning, 10 are occupied with apartment buildings, ranging from 4 to 27 units in size. In addition, 6 parcels contain either single family homes or duplexes. The remaining properties are principal parking lots or accessory parking to commercial uses fronting Broadway.</p> <p>The area is close to Broadway, which contains bus routes and a planned light rail station. The area is also within walking distance to jobs and services.</p>
<p>2. Environmentally Critical Areas. <i>Properties designated as environmentally critical may not be rezoned to a Midrise designation, and may remain Midrise only in areas predominantly developed to the intensity of the Midrise zone.</i></p>	X			<p>No known critical areas are in the area.</p>
<p>3. Other Criteria. <i>The Midrise zone designation is most appropriate in areas generally characterized by the following:</i></p>			X	<p>The developed parcels in the proposal area are mostly apartment buildings built in the early 1900's. Their scale is larger</p>

<p>a. Either: (1) Areas that are developed predominantly to the intensity permitted by the Midrise zone, or (2) (not applicable);</p> <p>b. Properties that are adjacent to business and commercial areas with comparable height and bulk;</p> <p>c. Properties in areas that are served by major arterials and where transit service is good to excellent and street capacity could absorb the traffic generated by midrise development;</p> <p>d. Properties in areas that are in close proximity to major employment centers;</p> <p>e. Properties in areas that are in close proximity to open space and recreational facilities;</p> <p>f. Properties in areas along arterials where topographic changes either provide an edge or permit a transition in scale with surroundings;</p> <p>g. Properties in flat areas where the prevailing structure height is greater than thirty-seven (37) feet or where due to a mix of heights, there is no established height pattern;</p> <p>h. Properties in areas with moderate slopes and views oblique or parallel to the slope where the height and bulk of existing structures have already limited or blocked views from within the multifamily area and upland areas;</p> <p>i. Properties in areas with steep slopes and views perpendicular to the slope where upland developments are of sufficient distance or height to retain their views over the area designated for the sixty (60) foot height limit;</p> <p>j. Properties in areas where topographic conditions allow the bulk of the structure to be obscured. Generally, these are</p>				<p>than heights currently permitted along Broadway to the east. That aside, the area is developed to the intensity permitted by the Midrise zoning, generally meeting this criteria.</p> <p>The subject properties are zoned MR/RC, which allows commercial development on a small scale. They are also adjacent to the Broadway commercial area, which currently is characterized by zoning that allows 2 fewer floors of development than allowed in a MR zone.</p> <p>The MR zoned properties are served by major arterials and transit and are close to open space.</p> <p>The MR zoned property is generally flat, lacking topography to act as a transition or as otherwise envisioned in this criterion.</p> <p>As MR zoning exists west of Harvard Avenue East all the way to I-5, views to the west are already limited.</p>
--	--	--	--	---

<i>steep slopes, sixteen (16) percent or more, with views perpendicular to the slope.</i>				
--	--	--	--	--

SMC 23.34.070 Residential Commercial (RC) Zone, Function and Locational Criteria				
Codified Criteria	Meets Criteria			Comments/Analysis
	Yes	No	Maybe	
<i>A. Function.</i> <i>1. Purposes. Areas that serve as the following:</i> <i>a. As a means to downzone strip commercial areas which have not been extensively developed with commercial uses;</i> <i>b. As a means to downzone small commercial areas which have not been extensively developed with commercial uses and where commercial services are available nearby;</i> <i>c. To provide opportunities for needed parking in areas where spillover parking is a major problem;</i> <i>d. As a means of supporting an existing commercial node.</i>	X			The existing zoning designations are a means to support Broadway. Of the approximately 53 L3 and MR parcels being considered as part of the rezone proposal, 33 carry the Residential Commercial (RC) designation. The 23 parcels to the west of Broadway are zoned MR and 18 of those carry the RC designations. The 30 parcels to the east of Broadway are zoned L3 and 14 of those carry the RC designation. Some of these parcels contain commercial uses.
<i>2. Desired Characteristics. Areas that provide the following:</i> <i>a. Physical appearance resembling the appearance of adjacent residential areas;</i> <i>b. Mixed use with small commercial uses at street level.</i>	X			Despite current zoning, the MR/RC and L3/RC parcels are largely residential – only of a few of the parcels have commercial uses. Current development on these parcels resembles adjacent residential areas.
<i>B. Location Criteria.</i> <i>1. Requirement. A residential-commercial designation shall be combined only with a multifamily designation.</i>	X			The combination is L3/RC or MR/RC.
<i>2. Other Criteria.</i> <i>Residential-Commercial zone designation is most appropriate in areas generally</i>	X			The L3/RC and MR/RC areas are primarily residential in character. The area around Broadway has a pattern of mixed use development.

<p>characterized by the following: a. Existing Character. (1) Areas which are primarily residential in character (which may have either a residential or commercial zone designation), but where a pattern of mixed residential/commercial development is present; or (2) Areas adjacent to commercial areas, where accessory parking is present, where limited commercial activity and accessory parking would help reinforce or improve the functioning of the commercial areas, and/or where accessory parking would help relieve spillover parking in residential areas.</p>				<p>Accessory parking is provided by surface parking lots, generally on the east side of Broadway.</p>
<p>b. Physical Factors Favoring RC Designation. (1) Lack of edges or buffer between residential and commercial uses; (2) Lack of buffer between major arterial and residential uses; (3) Streets with adequate access and circulation; (4) Insufficient parking in adjacent commercial zone results in parking spillover on residential streets.</p>	X			<p>The area's lack of alleys leaves few options to buffer the adjacent L3 and MR zoned areas (across 10th and Harvard Avenue's East). Development in the MR zoned area to the west of Broadway is similar in scale to that in the commercial district.</p> <p>Most traffic flow occurs on Broadway and cross streets such as East John and Olive Streets. Traffic does circulate on the back streets, 10 and Harvard Avenues East. The garage in the Broadway Market development and a few surface lots are available as an alternative to on-street parking.</p>

SMC 23.34.078 Neighborhood Commercial 3 (NC3) Zone, Function and Locational Criteria				
Codified Criteria	Meets Criteria			Comments/Analysis
	Yes	No	Maybe	
<p>A. <u>NC3 Locational Criteria.</u> The Neighborhood Commercial 3 zone designation is most appropriate in areas generally characterized by the following: 1. Existing Character.</p>	X			<p>The subject area along the Broadway corridor is the one of the City's longest commercial strips in the city. The area is located adjacent to a dense residential neighborhood, to the west. The</p>

a. Major commercial nodes surrounded by medium- to high-density residential areas or other commercial areas; or				subject area also lies in close proximity to other commercial areas, such as Olive Way, East Pike and Pine Streets and 15 th Avenue East.
b. Commercial, retail-oriented strip along a major arterial with significant amounts of retail frontage and generally surrounded by medium-density residential areas; or			X	The proposed NC/R zones would not front along a major arterial. They would front on Harvard and 10 th Avenues East. However, the NC/R zone promotes mixed use development with commercial uses facing Broadway and residential uses facing Harvard and 10 th , which would be compatible with surrounding MR and L3 zones.
c. Shopping centers.	X			Broadway is a major shopping district, containing retail stores, restaurants, and grocery stores.
2. Physical Conditions Favoring Designation as NC3.				
a. Served by principal arterial;	X			Yes, the area is served by Broadway, East Olive Street, East John Street, East Roy Street and Denny Way.
b. Separated from low-density residential areas by physical edges, less-intense commercial areas or more-intense residential areas;			X	The proposed NC3/R zones are separated by existing rights-of-way. The R designation would help promote residential uses, which would serve as a transition to the adjacent residential areas.
c. Highly accessible for large numbers of people (considering present and anticipated congestion) so that intense activity of a major commercial node can be accommodated;	X			Broadway has served as a major regional commercial attraction. The intent of the proposed rezones is to help the area continue to be active.
d. Combination of circulation and transit system accommodates commercial traffic without drawing traffic through residential areas;	X			Existing circulation patterns, which use the arterial streets described above, are likely to accommodate the increase in allowable density that would result from the zoning changes. In addition, Light Rail will aid circulation in the future.
e. Excellent transit service;	X			There is excellent bus service in the area, in addition to planned Light Rail service.
f. Presence of large, perhaps shared, off-street parking lots; land available for additional parking, or other means to	X			Some parking lots and garages exist in the area, notably the Broadway Market and Seattle Central Community College

accommodate parking demand.				garages. New and expanding development will also provide parking. In addition, residential parking zones are established in the surrounding area to manage residential parking.
------------------------------------	--	--	--	---

SMC 23.34.079 Neighborhood Commercial 3/Residential (NC3/R) Designation (This analysis uses the proposed locational criteria.)				
Codified Criteria	Meets Criteria			Comments/Analysis
	Yes	No	Maybe	
A. Function. An area designated as NC3/R functions as an NC3 zone while maintaining existing residential uses and/or promoting increased residential development. These areas provide locations for moderate density residential development in single purpose and mixed use structures; limit single purpose commercial development; and encourage commercial storefronts built to the front property line.	X			<p>The purpose of the change from L3, MR, L3 R/C and MR R/C is to accommodate the existing residential character of 10th and Harvard Avenue's East, while making it easier to accommodate development that would extend from Broadway to 10th Avenue East or from Broadway to Harvard Avenue East.</p> <p>The areas proposed for rezoning are good locations for dense residential development in single purpose and mixed use structures.</p>
B. NC3 zoned areas or areas that meet NC3 criteria may be designated NC3/R only under the following conditions: 1. Areas located inside urban center villages and the village core of hub urban villages, or 2. Areas in a residential urban village characterized by a concentration of small retail sales and service uses and residential support services, where it is desirable to promote high density residential uses.	X			<p>Capitol Hill is an Urban Center Village. The area proposed for rezoning meets the criteria for NC3 designation. NC/R is proposed to allow new development to occur on these blocks under consistent zoning regulations. The proposed rezone to NC/R will help promote a pattern of mixed use development that features commercial uses fronting on Broadway and residential uses on 10th and Harvard Avenues East.</p>

RECOMMENDATION – REZONES

The areas proposed for rezoning generally meet the criteria for existing zoning, L3, L3/RC, MR and MR/RC. Parcels interspersed through out the rezone areas possess some physical characteristics that favor the current zoning designations. But on the whole, the areas are not

enough of a match to the criteria to warrant retaining those designations. The proposed NC3/R 40' and 65' and NC3-65' zoning is more likely to result in new development to aid in the revitalization of the Broadway shopping area and the production of housing. A mix of uses, including retail services will be encouraged along Broadway while maintaining or enhancing the residential character of the areas to the east and west. The areas proposed for rezoning better meet the criteria for the proposed zone designations and better achieve city and neighborhood goals for redevelopment of the Broadway corridor and vicinity.

ANALYSIS – CODE AMENDMENTS

Amendments to the Land Use Code (LUC) are also proposed to augment the proposed rezones. Current requirements for open space and parking in Capitol Hill and parking in Pike/Pine (no open space is required for development in the Pike/Pine Neighborhood) are believed to be disproportionate to demand, and add substantially to the cost of residential development. Therefore, amendments to the Land Use Code are proposed.

Parking – LUC and SEPA amendments

Minimum parking requirements are intended to reflect an estimate of minimum anticipated demand, coupled with allowances for guest parking and for maintenance and delivery vehicles. These factors are balanced against transportation policies that seek to reduce dependence on automobile use and promote wise use and sustainability of the urban environment.

Demand for parking vs. parking requirements. The 2000 Census offers data on “vehicles available per household” as a method to measure residential parking demand. Measuring vehicles available per household results in a slightly higher number per household than, for example, measuring car ownership, because it may include vehicles not parked at home as well as vehicles parked at home but not owned by a resident such as work vehicles or borrowed cars. However, measuring “vehicles available per household” is the most reliable predictor of residential parking behavior.

The 2000 Census data confirms a pattern where households in center city neighborhoods, including Capitol Hill and Pike/Pine, own fewer cars, on the whole, than households in neighborhoods beyond the center. Center city neighborhoods are located near employment centers and necessary goods and services, and are well served by transit. This allows residents in these neighborhoods, to walk, bike and ride transit rather than be reliant upon a car.

Applying the same minimum parking requirement to center city neighborhoods as in less-dense, less mixed use areas imposes a costly burden on housing development, which increases the cost of housing, by requiring construction of off-street parking that may go unused. Analysis of 2000 Census data shows that .8 spaces per unit in Capitol Hill and .6 spaces per unit in Pike/Pine would be appropriate minimum requirements.

In the Capitol Hill Urban Center Village, the census information shows that out of 12,961 households, the average number of vehicles available per household is 0.8 vehicles. Of these, 2,041 units were owner-occupied and 10,920 units were renter-occupied. The 2,041 owner-occupied units had a total of 2,288 vehicles available, an average of 1.1 vehicles per household.

The 10,920 renter-occupied units had 8,178 vehicles available, for an average of 0.75 vehicles per unit.

Table 1: Vehicles Available per Household in Capitol Hill (2000 Census)

Unit Type:	Owner-occupied	Renter-occupied	All units
Number of vehicles available	1.1	.75	.8

In the Pike/Pine Urban Center Village, the census information shows that out of 2,124 households, the average number of vehicles available per household is 0.6 vehicles. Of these, 174 units were owner-occupied and 1,950 units were renter-occupied. The 174 owner-occupied units had a total of 191 vehicles available, an average of 1.1 vehicles per household. The 1,950 renter-occupied units had 1,053 vehicles available, for an average of 0.5 vehicles per unit.

Table 2: Vehicles Available per Household in Pike/Pine (2000 Census)

Unit Type:	Owner-occupied	Renter-occupied	All units
Number of vehicles available	1.1	.5	.6

Owner-occupied housing projects, such as condominiums, tend to build more than the minimum parking requirement to facilitate resale of the units. For example, in Belltown where there is no minimum residential parking requirement, new condominium projects build a minimum of one space per unit.

Current parking requirements: The Land Use Code establishes minimum off-street parking requirements for multifamily uses (SMC 23.54.015, Chart A). The parking requirement for multifamily uses generally ranges from 1.1 to 1.5 parking spaces per unit, depending on the following factors:

- number of units
- unit size, and
- number of bedrooms per unit

Parking is costly, for example, off-street parking makes up more than ten percent of the per unit cost of condominiums. In Seattle, developers generally report that structured parking costs between \$20,000 and \$30,000 per space, independent of the use served. These high costs result from factors such as location, land costs, excavation costs for underground parking, parking demand and zoning. These parking costs are passed on to tenants and condominium owners. On smaller lots, which are present in both Broadway and Pike/Pine, construction of off-street parking is particularly expensive because of the area required for aisles and vehicle turnaround space.

Consistency with the Comprehensive Plan: The proposed changes to the minimum parking requirements are consistent with policies G15 and G16 of the Seattle Comprehensive Plan.

- G15: Provide enough parking to sustain the economic viability and vitality of commercial areas while discouraging commuting by single-occupant vehicle.
- G16: Reduce use of cars over time, particularly for commute trips.

Transit availability in Broadway and Pike/Pine: The proximity to a variety of transit services makes it easier for neighborhood residents to choose alternatives to single-occupant vehicle travel and automobile ownership. Both Broadway and Pike/Pine have excellent bus service, with direct access to downtown, the University District and the eastside.

State Environmental Policy Act Requirements: The minimum parking requirements that apply to a project may be modified as a condition of the master use permit under the City's State Environmental Policy Act (SEPA) Parking Policies. Section 25.05.675M currently allows parking impact mitigation for projects located outside of downtown zones, the Seattle Mixed zone and the Pike/Pine neighborhood to be provided in the form of increased parking ratios (i.e., requiring more parking than the minimum required by the Land Use Code). This approach is based on the likelihood that spillover parking will occur on the surrounding streets. In Capitol Hill, however, most of the on-street supply is time-limited through the use of Residential Parking Zones or meters, and an environmental analysis of a given project's parking and transportation impacts would take into account the availability of transit and the lower percentage of households that own cars. In center city neighborhoods, SEPA authority to require more off-street parking is not needed due to these factors. In some cases, SEPA authority can actually work against City policies of enhancing pedestrian and transit use and reducing reliance on single-occupant vehicles. Other tools for mitigating transportation and parking impacts will remain available to planners, such as transportation management plans, car-sharing participation, or transit subsidies for residents. (See DPD Director's Rule 14-2002, *Transportation Management Programs*.)

Replacing Private Open Space Requirements with Residential Amenities

To better meet the needs of Capitol Hill residents and not be an obstacle to housing development, DPD is proposing to replace the current requirement for private, on-site open space with a residential amenity requirement. This proposal is based on research performed by DPD including the following:

- Surveyed owners and renters across the city;
- Toured buildings to evaluate amenities provided;
- Compared Seattle's requirements to those of other cities in North America; and
- Interviewed housing developers.

Based on the findings of this research, the recommendation for residential amenities for residential uses in commercial zones in Capitol Hill is as follows:

Residential amenity area must be provided in an amount equal to a minimum of ten percent of the gross floor area in residential use, up to a maximum of 50% of the lot area. A maximum of 50% of the required area may be enclosed. 50% of the amenity requirement must be provided on-site with an allowance to provide the remainder off-site, which includes a payment in lieu option.

The proposal acknowledges that the original intent of the open space requirement was more about tenant amenities than the term “open space” implies. The new proposal better reflects an urban neighborhood. The benefits of this proposal include:

1. Links the requirement of residential amenity area to the amount of housing proposed, with a maximum limit;
2. Meets residents' needs without being an obstacle to housing development;
3. Allows more flexibility for types of amenities provided (and more usable amenities, considering Seattle weather), including: workout rooms and community rooms as well as decks and balconies; and
4. Recognizes typical development, which extends to the lot lines often with retail uses at the sidewalk.

In 1988, the current private open space requirement was adopted. Private, on-site open space is required in an amount equivalent to 20% of a structure's gross floor area in residential use. Under this requirement, residential development in a commercial zone is required to provide substantially more open space than similar development in a multifamily or downtown zone.

The intent behind open space requirements is generally to ensure a quality of life for residents by mitigating the impacts of moderate to high density development. Residential amenities, including open space, is intended for residents and their guests, and should not be confused with public parks or other open space. In fact, research shows that open space is only a subset of amenities that serve the needs of residents. Enclosed spaces such as exercise rooms and community entertainment rooms are desired too, particularly during winter months. In the downtown and Cascade neighborhoods, enclosed spaces are allowed to count toward a “common recreation area” requirement. In neighborhoods outside of downtown, these types of spaces are sometimes provided even though they may not count towards fulfilling open space requirements.

Development in the commercial zones in Capitol Hill, like in nearby areas, including downtown, Pike/Pine and on First Hill, frequently occupies the entire lot at street level. The current open space requirement often exceeds lot area or roof area; this constrains development, as rooftop area is often insufficient as a location for open space. In addition, people who reside in mixed use neighborhoods tend to spend time strolling along a street or relaxing at a sidewalk café. In order to provide opportunities for more social interaction among residents in Capitol Hill rooftop decks, community rooms and exercise facilities are the most common amenities provided. Common spaces tend to be larger and thus provide some relief or added benefit for people living in smaller units. Private decks or balconies and shared rooftop decks are the most common amenities provided under the current requirement. Because balconies are frequently too small to qualify (balconies must be a minimum of 60 square feet to count as required open space), a rooftop deck is often all that is provided to meet open space requirements.

Resident Survey. DPD conducted an informal survey to learn what amenities residents of multi-family and mixed use residential buildings prefer and how those amenities are used. DPD mailed approximately 600 copies of the survey, with pre-paid return postage, to residents of apartment and condominium buildings throughout the city. The Department also made the survey available to anyone on the DPD website. In total, there were 112 responses to the mailed survey and 58 responses to the online survey.

The results of the survey show that there is an interest in having a wider variety of amenities available. For example, when asked how often private outdoor or shared outdoor space is used, as an indication of preference as well as frequency of use, 74 percent reported using private space once a day or once a week and 40 percent using shared space at the same frequency. Response to the same question comparing indoor shared space to outdoor shared space, was that 60 percent used indoor shared space and 40 percent used outdoor shared space once a day or once a week.

Most results are similarly split. The survey provided no clear preference. All types of amenities (indoor/outdoor, shared/private) received sizable levels of support.

Developer Interviews. Developers were asked "What residential amenities appeal most to residents?" The overriding response was that amenity preferences are variable. Residents in higher density areas, like Capitol Hill and First Hill, prefer community amenities rather than open space. Another factor is the type of resident. For example, senior citizens will prefer different amenities than young professionals.

Socioeconomic status also was cited as a factor in amenity preference. Balconies and roof decks are not as important to low income or subsidized housing residents. The most important factor is low rent. The respondents involved with this type of housing noted that they would rather use resources for providing more living space than more open space. In these buildings the amenity that was mentioned as preferred were community rooms where people meet, interact, and build a sense of community.

A related theme revolved around the marketability of amenities and the actual use of amenities by tenants. Shared amenities including community rooms, gyms, or roof decks were reported as attractive to potential renters, but are not necessarily used by the tenants at a high rate. This is similar to the survey responses mentioned above. Therefore, allowing the flexibility for a mix of amenities is part of the recommendation.

Other Cities. Compared to other cities, Seattle's proposed requirements for amenity space or open space are in the middle to high range. The following chart summarizes these findings.

City	Open Space Requirement (In zones similar to those found on Capitol Hill)
Portland, OR and Tacoma WA	None.
San Francisco, CA	36 to 80 square feet per unit.
Vancouver, B.C.	None required in by-laws, but design guidelines provide for balconies and communal spaces.
Suburban and smaller cities, like Bellevue, WA or Austin TX.	100 to 800 square feet per unit (typically with maximum requirements)

DPD's recommended requirements, including minimum amount and dimensions, are similar to those at the high end of the range in San Francisco's higher density residential and mixed use zones. The residential amenity requirement is also proposed for First Hill and the University District, which exhibit similar, urban characteristics. Also, in the Pike/Pine Neighborhood, directly abutting Capitol Hill, neither open space nor residential amenities are required.

The proposed standard:

1. will meet the needs of residents, while recognizing how such requirements can impact the cost of housing;
2. is still more than or similar to what is required in other cities around the state and North America; and
3. better fits the type of development and the interests of the current and future residents of Capitol Hill.

Residential Development - Upper-level Coverage Consistency

The proposed amendments would allow for full block development with a consistent set of regulations that present more opportunity for housing. This proposal would apply only to two half blocks within the area bounded by 10th Avenue East, East Roy Street, Harvard Avenue East, and East Mercer Street. These half blocks are zoned multifamily and fall just outside of the light rail Station Area Overlay District, which allows development without upper-level lot coverage limitations. Along with the proposal to rezone these lots from multifamily to commercial, the proposal is to apply the same development standards that apply to other commercially zoned properties along Broadway.

Currently on these two half blocks residential use in a mixed use development proposal is subject to an upper-level lot coverage limit. Structures containing only non-residential uses on these lots are not subject to an upper-level lot coverage limit. What this means, for structures containing residential use, is that while the base level of the structure may extend out to the property lines, the upper level (the residential floors) can only occupy an area (width and depth) up to 64% of the area of the lot.

In addition, the application of the Design Review Program, when new development exceeds program thresholds, will help ensure appropriate transitions between zones and mitigate height, bulk and scale impacts of new development.

Amendment to the NC/R Zone Locational Criteria

The Land Use Code contains criteria that must be met in order to rezone property to Neighborhood Commercial 3/Residential (NC3/R). One of the criteria reads as follows:

The NC3/R designation is provided for in a neighborhood plan adopted or amended by the City Council after January 1, 1995.

In order to meet the neighborhood's overall goals for Broadway, and in light of upcoming changes to the Seattle Comprehensive Plan (December 2004), the executive proposes to remove the criterion from the Land Use Code. The resulting language (all existing) would read as follows:

23.34.079 Neighborhood Commercial 3/Residential (NC3/R) designation.

A. Function. An area designated as NC3/R functions as an NC3 zone while maintaining existing residential uses and/or promoting increased residential development. These areas provide locations for moderate density residential development in single purpose and mixed use structures; limit single purpose commercial development; and encourage commercial storefronts built to the front property line.

B. NC3 zoned areas or areas that meet NC3 criteria may be designated NC3/R only under the following conditions:

1. Areas located inside urban center villages and the village core of hub urban villages, or

2. Areas in a residential urban village characterized by a concentration of small retail sales and service uses and residential support services, where it is desirable to promote high density residential uses.

The change will allow the objectives of the proposal to be met. 10th and Harvard Avenues East would have a base zone of NC3, but with Residential "R" designation to help ensure the new development is consistent the residential character of these streets. At the same time, the proposed rezones would allow development to occur on parcels that abut both Broadway and Harvard Avenue East and Broadway and 10th Avenue East without conflicting zoning and development standards. For example, if a proposed development (using existing zoning) spanned from Broadway to 10th Avenue East, it would be subject to different open space, lot coverage, setback and density regulations. The proposal would eliminate such conflicts and still protect the residential character of 10th and Harvard Avenues East.

While the change would allow the NC/R zone to be used more broadly in Urban Centers and other urban villages meeting the characteristics described in the rezone criteria, it is not expected to be widely used. DPD staff know of no other areas intending to rezone using NC/R.

RECOMMENDATION – CODE AMENDMENTS

The Mayor recommends approval of the following proposed amendments:

- *Set minimum parking requirements to reflect existing vehicle ownership patterns.*
Reduced minimum parking requirements will help reduce the cost of housing for owners and renters, and supports the revitalization efforts of the Capitol Hill and Pike/Pine

Neighborhoods. For these reasons, a minimum parking requirement of .8 parking spaces per dwelling unit in the Capitol Hill Urban Center Village and .6 spaces per dwelling unit in the Pike/Pine Urban Center Village is recommended.

- *Apply the residential amenity requirement.* Current requirements for open space are a barrier to development in commercial zones, and can be corrected while still meeting the open space needs of residents. The recommended requirement for residential amenities is an amount equal to 10 percent of the floor area in residential use in the Capitol Hill Urban Center Village.
- *Eliminate the upper-level coverage limit.* The recommended amendment will allow the two affected half blocks to be developed according to a single set of regulations.
- *Modify SEPA parking policies to exempt residential uses in the Capitol Hill Urban Center Village from requirements to provide more parking than the minimum required by the Land Use Code.* The urban conditions that permit residents of the Capitol Hill Urban Center Village the convenience to live, work and play without reliance on single-occupant vehicles indicate that the use of SEPA authority to require more parking than the minimum required by the Land Use Code is both unnecessary and inappropriate. To make SEPA parking policies consistent with Seattle's parking regulations, the recommendation is to eliminate SEPA authority to require more than Code required parking in the Capitol Hill Urban Center Village for residential uses.
- *Allow use of the NC3/R zone in the Capitol Hill Urban Center Village.* This will allow the proposed rezones and still protect the existing residential character of 10th and Harvard Avenue's East.